

Standard Operating Procedure (SOP) for the Accounts Section at NFSC, Nagpur

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1. Introduction

This SOP outlines the functioning of the Accounts Section at NFSC, Nagpur, ensuring financial propriety, compliance with GFR (General Financial Rules), and transparency in financial transactions as per the guidelines issued by the Government of India.

2. Objective

The purpose of this document is to standardize financial processing, define roles and responsibilities, and establish a structured approval process.

3. Scope

This SOP applies to all staff involved in financial management, including the Accounts Officer (CDDO), Accountant, UDC, and MTS.

4. Roles and Responsibilities

4.1 Officer-in-Charge (Accounts Officer or CDDO):-

1. Accounts Officer (ACO)

The **Accounts Officer** is responsible for financial management, budget control, and ensuring compliance with financial regulations. Their duties include:



- **Budgeting & Financial Management:**
 - ❖ Preparation and monitoring of budgets, financial planning, and fund allocations.
 - ❖ Controlling expenditure as per government guidelines.
- **Audit & Compliance:**
 - ❖ Ensuring compliance with financial regulations (GFR 2017, DFPR, etc.).
 - ❖ Coordinating with internal/external audit agencies like CAG.
- **Payments & Receipts:**
 - ❖ Approving and authorizing payments, ensuring proper disbursement of salaries, allowances, and supplier/vendor payments.
 - ❖ Managing grants, loans, and advances.
- **Financial Reporting & Record Keeping:**
 - ❖ Maintaining financial records, preparing monthly/annual statements.
 - ❖ Submission of Utilization Certificates (UCs) for grants received.
- **Procurement & Contract Management:**
 - ❖ Supervising financial aspects of procurement, verifying bills, and approving tenders.
- **Other responsibility:**
 - ❖ Ensures compliance with financial rules and regulations.
 - ❖ Approves and verifies bills before processing.
 - ❖ Passes bills through PFMS (Public Financial Management System).
 - ❖ Coordinates with external auditors and ensures compliance with audit observations.
 - ❖ Reports to the Director on financial matters.

2. Cheque Drawing & Disbursing Officer (CDDO)

A **CDDO** is an officer authorized to draw cheques and make payments from government funds. Their responsibilities include:

- **Cheque Drawing Authority:**
 - ❖ Drawing cheques on behalf of the government and ensuring timely disbursement of salaries, pensions, and other payments.
- **Fund Management & Disbursement:**



- ❖ Managing receipts, disbursing government funds as per allocation.
- ❖ Maintaining proper reconciliation of accounts with the Pay & Accounts Office (PAO).
- **Verification & Audit Compliance:**
 - ❖ Ensuring accuracy of bills, vouchers, and other financial documents before issuing payments.
 - ❖ Submitting financial statements to the PAO regularly.
- **Coordination with Banks & Treasury:**
 - ❖ Handling government transactions with banks, ensuring correct reconciliation of payments.
- **Maintaining Cash Books & Registers:**
 - ❖ Keeping accurate records of cheques issued, pending payments, and accounting ledgers.

4.2 Section In-Charge (Assistant or Accountant)

1. Assistant:-

The **Assistant** plays a clerical and administrative role in supporting higher officials. Their duties include:

- **General Office Work:**
 - ❖ Handling files, noting, and drafting letters, reports, and circulars.
- **Coordination & Documentation:**
 - ❖ Managing records, maintaining official documents, and assisting in official correspondence.
- **Liaison & Follow-up:**
 - ❖ Coordinating with different departments and agencies for approvals, sanctions, and compliance.
- **Assisting Senior Officers:**
 - ❖ Supporting Accounts Officers, CDDO, or Section Officers in daily operations.
- **Basic Financial & HR Work:**
 - ❖ Processing leave applications, maintaining attendance records, and assisting in budget/expenditure tracking.



2. Accountant:-

The **Accountant** is responsible for assisting in financial and accounting operations, including:

- **Bookkeeping & Financial Transactions:**
 - ❖ Maintaining ledgers, registers, and accounts for income/expenditure.
- **Processing Bills & Payments:**
 - ❖ Verifying bills, preparing vouchers, and processing payments for salaries, allowances, and other claims.
- **Budget Preparation & Expenditure Control:**
 - ❖ Assisting in budget preparation, allocation, and monitoring of expenditure limits.
- **Tax & Compliance Management:**
 - ❖ Handling TDS, GST, and other tax-related deductions.
- **Financial Reporting:**
 - ❖ Assisting in the preparation of annual financial statements and audit reports.
- **Other responsibility:**
 - ❖ Reviews and scrutinizes bills before forwarding them to CDDO.
 - ❖ Ensures administrative and financial approvals are attached.
 - ❖ Maintains records of payments and financial approvals.
 - ❖ Verifies compliance with GFR and other statutory regulations.

4.3 Dealing Hand (UDC or LDC or MTS)

1. Upper Division Clerk (UDC)

The **Upper Division Clerk (UDC)** is a senior clerical position with responsibilities such as:

- **File Management & Documentation:**
 - ❖ Handling important office files, maintaining official records, and updating databases.
- **Drafting & Correspondence:**
 - ❖ Drafting official letters, memorandums, and government communications.
- **Data Entry & Report Preparation:**
 - ❖ Entering financial/administrative data and preparing reports.
- **Clerical Support:**
 - ❖ Assisting in financial transactions, procurement, and audit-related work.



- **Supervising LDCs & Assistants:**
 - ❖ Overseeing work of LDCs, ensuring timely completion of clerical tasks.
- **Other responsibility:**
 - ❖ Receives files from different sections (academic, training, establishment, etc.).
 - ❖ Checks completeness of documentation before submission to the Accountant.
 - ❖ Prepares reports and maintains ledgers.

2. Lower Division Clerk (LDC):-

The Lower Division Clerk (LDC) is an entry-level clerical position responsible for:

- **Basic Office Work:**
 - ❖ Maintaining records, filing documents, and handling routine correspondence.
- **Data Entry & Typing:**
 - ❖ Entering official data, preparing reports, and managing spreadsheets.
- **Dispatch & Record Keeping:**
 - ❖ Dispatching letters, maintaining registers, and ensuring proper filing of documents.
- **Handling Calls & Public Queries:**
 - ❖ Assisting visitors, responding to inquiries, and forwarding files for approvals.
- **Assisting UDCs & Assistants:**
 - ❖ Supporting senior clerks in documentation and record maintenance.

3. Multi-Tasking Staff (MTS)

The MTS (Multi-Tasking Staff) performs supportive clerical work in NFSC offices. Their responsibilities include:

- **General Office Assistance:**
 - ❖ Carrying files, documents, and ensuring their timely delivery within the office.
- **Data Entry & Typing:**
 - ❖ Entering official data, preparing reports, and managing spreadsheets.
- **Dispatch & Record Keeping:**
 - ❖ Dispatching letters, maintaining registers, and ensuring proper filing of documents.
- **Handling Calls & Public Queries:**



- ❖ Assisting visitors, responding to inquiries, and forwarding files for approvals.
- **Assisting Assistants, UDCs and LDCs :**
 - ❖ Supporting senior clerks in documentation and record maintenance.
- **Messengerial Duties:**
 - ❖ Carrying official letters, files, and documents between departments.
- **Basic Clerical Support:**
 - ❖ Photocopying, faxing, and assisting clerical staff in routine work.
- **Other Responsibility:-**
 - ❖ Assists in file movement within departments.
 - ❖ Ensures records are properly maintained and retrieved when required.

5. Bill Processing Workflow

1. **Initiation:** Concerned sections (academic, training, establishment, store & purchase and etc.) submit files with administrative & financial approvals.
2. **Preliminary Check:** UDC/LDC/MTS verifies document completeness.
3. **Scrutiny & Verification:** Assistant/Accountant reviews compliance with GFR & financial rules.
4. **Approval from Accounts Officer/CDDO:** Upon satisfactory verification, the Accounts Officer/CDDO processes the bill in PFMS.
5. **Final Approval by the Director:** Bills requiring higher approval are sent to the Director.
6. **Payment Processing:** Bills are passed for disbursement through PFMS.
7. **Record Keeping:** All transactions are documented for audit and compliance purposes.

6. Financial Approval & Compliance with GFR

- ❖ No bill shall be processed without administrative & financial approval.
- ❖ All bills should follow due diligence as per GFR.
- ❖ Cross-verification of approvals and sanctions before bill passing.

7. Scrutiny & Verification Procedure

- ❖ All financial documents should be verified against approval records.
- ❖ Ensuring no duplication or procedural lapses exist before final processing.
- ❖ Documents should be checked for completeness by the Assistant/Accountant before reaching Accounts Officer/CDDO.



8. Document Flow Before Final Approval

1. **Section Concerned** → Prepares file with financial & administrative approvals.
2. **UDC** → Initial document check.
3. **Accountant** → Verifies and forwards to Accounts Officer/CDDO.
4. **Accounts Officer/CDDO** → Processes in PFMS.
5. **Director** → Grants final approval.
6. **CDDO** → Disburses payment through PFMS.

9. Reporting & Record Maintenance

- ❖ Monthly reconciliation of accounts.
- ❖ Maintenance of ledgers and financial statements.
- ❖ Annual audit compliance and record submission.

10. Audit & Enquiry Procedure

- ❖ If an audit or inquiry is conducted, the responsibility lies with all sections involved in bill processing.
- ❖ The Accounts Section will provide financial records but will not be solely accountable for procedural lapses of any section.

11. Grievance Redressal Mechanism

- ❖ Any financial grievances shall be addressed through the Director's office.
- ❖ Concerns related to improper bill processing should be reported immediately.

12. Amendments & Revisions

- ❖ This SOP shall be reviewed periodically and updated as per government guidelines.

13. Rules and Regulations follow by section:-

Accounting rules and procedures followed by the Accounts section at NFSC are governed by several legal frameworks and guidelines. Financial transactions are transparent, standardized, and comply with the government's financial and auditing regulations. Below are the key elements related to accounting rules, Indian accounting standards, Government Financial Rules (GFR), LTC, medical and domestic travel expenses, PFMS, Bhavishya Portal, Budgeting, and Revised Estimates (RE) and other concerned work of Accounts:



(i) **Accounting Rules 1990 (Government of India) :-**

The **Accounting Rules, 1990** are framed by the Government of India to standardize accounting practices across government departments. These rules cover several aspects, such as the:

- ❖ **Principles of government accounting:** This includes the double-entry system of accounting and the method of recording transactions.
- ❖ **Classification of accounts:** Government accounts are classified into various heads (revenue and capital), with separate classifications for income, expenditure, assets, and liabilities.
- ❖ **Fund Accounts:** Rules specify the maintenance of various fund accounts (Consolidated Fund of India, Contingency Fund of India, and Public Account of India).
- ❖ **Accounting for Loans, Advances, and Guarantees:** The rules specify the procedures for accounting loans given by the government, loans received, and guarantees extended by the government.

These rules provide a framework for maintaining accounts that is uniform across the entire government machinery.

(ii) **Indian Accounting Rules:-**

India follows **Indian Accounting Standards (Ind AS)**, which are similar to the International Financial Reporting Standards (IFRS). However, for government accounting, there are specific deviations to cater to the unique nature of public financial management:

- ❖ **Accrual-based accounting:** Government accounting is largely cash-based, but efforts have been made to introduce accrual accounting in some departments to recognize revenues and expenses when they occur, rather than when cash is received or paid.
- ❖ **Budgetary control:** The government strictly adheres to the budgetary process, and all expenses are classified in accordance with the heads of account as laid down in the budget.
- ❖ **Chart of Accounts:** Government departments follow a prescribed chart of accounts, where all income and expenditure are classified in a structured manner.

(iii) **Government Financial Rules (GFR)**

The **Government Financial Rules (GFR)** are a comprehensive set of guidelines for financial management in the government. They govern all aspects of public finance management, from budget preparation to expenditure control, accounting, and auditing. Important sections of GFR include:



- ❖ **Chapter 2:** Deals with **Budget Estimates (BE)**, **Revised Estimates (RE)**, and **Actuals**.
- ❖ **Chapter 3:** Lays down the rules for **Government receipts and expenditure**, including norms for **contracts, procurement, and disbursements**.
- ❖ **Chapter 4:** Establishes guidelines for **advances and loans**, including the **sanctioning authority and maintenance of records**.
- ❖ **Chapter 5:** Covers the **internal control** mechanisms, ensuring compliance with regulations.
- ❖ **Chapter 6:** Provides procedures for the **Audit of accounts and inspection** by the **Comptroller and Auditor General (CAG)** of India.

These rules are important for maintaining financial discipline and transparency within government departments.

(iv) LTC (Leave Travel Concession)

LTC is a benefit provided to government employees for travel within India. The main points regarding LTC are:

- ❖ **Eligibility:** Government employees are entitled to travel concession once in a block of four years.
- ❖ **Travel Costs:** Employees are reimbursed for travel expenses, including air, rail, and road travel, subject to limits specified by the government.
- ❖ **Travel Conditions:** Specific guidelines exist regarding the distance and modes of transport, with different rates for travel to different regions (e.g., North-Eastern states).

LTC reimbursement is subject to verification of travel documents and prescribed procedures.

(v) Medical Expenses Reimbursement

Government employees are entitled to reimbursement for medical expenses, including:

- ❖ **Eligibility:** Reimbursement is provided for the employee and dependents, subject to rules specified by the respective government department.
- ❖ **Medical Rules:** Medical expenses are reimbursed for treatment in government hospitals or recognized private hospitals.
- ❖ **Reimbursement Process:** Employees must submit medical bills, prescriptions, and necessary documents for approval.

There are also provisions for medical advance in case of emergency situations.



(vi) Domestic Travel Expenses with DA (Daily Allowance)

For domestic travel, government employees are entitled to:

- ❖ **Travel Allowances (TA):** This includes reimbursement for travel expenses for journeys performed on official duty.
- ❖ **Daily Allowance (DA):** The government provides a fixed DA to cover the cost of meals, lodging, and incidental expenses while traveling. The DA depends on the class of accommodation (economy, business, etc.) and the location of travel (urban, rural).

The **GFR** specifies the rates for DA, as well as rules regarding accommodation, transport, and travel classes.

(vii) PFMS (Public Financial Management System)

The **PFMS** is an online platform introduced by the Government of India for the disbursement of funds and tracking government expenditure. Key features of PFMS:

- ❖ **Fund Disbursement:** It ensures timely and accurate disbursement of funds to the intended recipients (e.g., beneficiaries of schemes).
- ❖ **Tracking and Monitoring:** PFMS provides a transparent tracking mechanism for government expenditure and ensures accountability.
- ❖ **Integration:** It integrates with various departments for real-time monitoring and financial management.

(viii) Bhavishya Portal

The **Bhavishya Portal** is an e-governance initiative by the Government of India aimed at:

- ❖ **Pensioners:** It provides a platform for pensioners to track their pension status and related benefits.
- ❖ **Online Service:** Employees can access online services related to pensions, including applying for and tracking their pension, along with other retirement benefits.
- ❖ **Automation:** The portal automates the pension settlement process, reducing manual intervention.

(ix) Budget (BE, RE)

The **budget process** involves the preparation, approval, and monitoring of government expenditure and revenue collection. It includes:



- ❖ **Budget Estimates (BE):** The initial estimate of income and expenditure, which is presented in Parliament at the beginning of the financial year.
- ❖ **Revised Estimates (RE):** These are updates to the budget, typically based on actual performance during the year. It reflects changes in revenue collection or expenditure needs.
- ❖ **Expenditure Control:** Government departments must follow strict guidelines to ensure they do not exceed their allocated budget.
- ❖ **Appropriation Accounts:** After the end of the financial year, departments submit their accounts to the government, which are audited by the CAG.

(x) **Other Key Procedures and Guidelines**

- ❖ **Internal Audit:** Government departments must conduct internal audits to ensure compliance with financial rules and regulations.
- ❖ **Comptroller and Auditor General (CAG):** The CAG audits the accounts of government departments to ensure that funds are used as per the rules and regulations.
- ❖ **Treasury Control:** All government payments are made through the treasury, which ensures that funds are only drawn with proper sanction and compliance with the budget.

14. Summary of Key Procedures:

- ❖ **Submission of Bills:** Bills for expenses, reimbursements, and payments must be submitted through the appropriate channels, following the rules in the GFR.
- ❖ **Sanctioning Authority:** The authority for approval of payments and expenses rests with the designated officer in the department.
- ❖ **Fund Transfer:** Under PFMS, funds are transferred directly to the beneficiaries or the concerned authorities.
- ❖ **Auditing and Reporting:** Departments must report financial transactions to ensure transparency and accountability.

15. Accounts Section Payment Procedure Framework:-

In conclusion, the Government of India, Ministry of Home Affairs, National Fire Service College follows a well-structured set of accounting rules and guidelines designed to ensure transparency, accuracy, and financial discipline. These rules are supported by technology-driven platforms like PFMS, Bhavishya Portal, NSDL for NPS etc to streamline and automate financial processes, contributing to better governance and control.

Accounts section is primarily responsible for processing payments after receiving the necessary approvals, both administrative and financial. However, it is not responsible for any misconduct related to these approvals, as its role is focused on executing the orders passed by higher authorities (such as DOPT, MOF, etc.).

The Accounts Section of NFSC operates within a clearly defined framework, which includes the processing of payments based on the orders and rules passed by authorized bodies such as the Department of Personnel and Training (DOPT), Ministry of Finance (MOF), and other relevant authorities. The payment process undertaken by the Accounts Section follows the necessary administrative and financial approvals.

It is important to note that the Accounts Section's responsibility is strictly limited to the execution of payment transactions after the required approvals have been obtained. The section does not hold responsibility for any administrative or financial misconduct that may arise, as its role is to pass payments in accordance with the directives provided by the appropriate governing bodies.
